

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval

For

Other Than Full and Open Competition

1. **Contracting Activity:** The U.S. Department of Veterans Affairs, Network Contracting Activity proposes to enter into a firm-fixed price Purchase Order on the basis of justification for other than full and open competition for the VA San Diego Healthcare System. The Purchase Request number is 664-12-1-093-0006.
2. **Nature and/or Description of the Action Being Processed:** Purchase request 664-12-1-093-0006, for the acquisition of controlled schedule II Narcotic Drugs (Morphine Sulfate, Hydromorphone HCl, Ephedrine Sulfate, Succinylcholine Chloride injection, Phenylephrine, HCl, Fentanyl, Citrate, Midazolam HCl, Heparin Sodium, etc.) for the San Diego VAMC, was received on August 1, 2011 and is a reoccurring procurement. The Purchase Order action will be a firm-fixed price, 1 (one) year commodities order. The proposed contractor is Pharmedium, Cleveland, MS (Small Business).
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The requirement is to provide the San Diego VAMC with Controlled Schedule II narcotic drugs at an annual total cost of \$99,996.00. The contractor shall deliver all needed narcotic drug supplies (as discussed in section#2).
4. **Statutory Authority Permitting Other than Full and Open Competition:** 41 USC §253(c) (5), as implemented by FAR 6.302.5
 - () (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
 - (x) (2) Unusual and Compelling Urgency per FAR 6.302-2;
 - () (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;
 - () (4) International Agreement per FAR 6.302-4
 - () (5) Authorized or Required by Statute FAR 6.302-5;
 - () (6) National Security per FAR 6.302-6;
 - () (7) Public Interest per FAR 6.302-7;
5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority)** FAR 6.302-5 allows for the procurement of items through other than full and open competition; when an unusual and compelling urgency and the Government would be seriously injured if the agency complies with the time periods specified in 5.203. The Network Contracting Activity has been processing annual purchase orders for the procurement of the required narcotic drugs with Pharmedium. In efforts to streamline contracting and re-assess reoccurring orders being placed, the determination has been made to create a long term contract for the Narcotic supplies needed. This Purchase order will stand as an interim PO while a long term contract is negotiated. Non-availability of these drugs would require physicians to change patient's prescriptions which would result in adverse patient reactions.

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable A notice of intent has been publicized and synopsisized to FedBizOpps in accordance with 5.201. A notice of award shall be posted within 14 (fourteen) days after award is made.

7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable: The anticipated dollar value for the purchase order action is for \$99,996.00 The period of performance is October 1, 2011 to September 30, 2012, The services/supplies to be provided by Pharmedium have been determined to be commercial in accordance with FAR 2.101; cost or pricing data will not be required.

Pricing techniques as described in FAR 15.404-1(b)(2), will be used to establish price fairness and reasonableness. The Contracting Officer determines that the anticipated price will be fair and reasonable based on historical price analysis. The historical price analysis was completed by comparing previously proposed prices and previous commercial contract prices with current proposed prices for similar items.

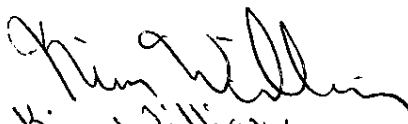
8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted: FAR Part 10 directs that market research be conducted on each acquisition appropriate to the circumstances. Market Research was conducted. A search of the NAC website found several vendors that carry few, however not all of the necessary products needed to meet the VA San Diego's requirement. Pharmedium however currently carries all necessary Narcotic drugs needed by the VA San Diego.

9. Any Other Facts Supporting the Use of Other than Full and Open Competition: Although Market Research did uncover there are a few other vendors that carry the necessary narcotic drugs, it would not be a viable option to change the patients current prescriptions with such short notice, this will cause non continuity with the patients. Solidifying this interim Purchase Order will allow the Contracting Officer ample time to solicit, compete and transfer any prescriptions should a new vendor win the competition.

10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: See Section VI above.


11. A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition before Making subsequent acquisitions for the supplies or services required: None.

12. Requirements Certification: I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.
(This signature is the requestor's supervisor, fund control point official, chief of service, someone with responsibility and accountability)


Name Kim Williams
Title Pharmacy Procurement Specialist
Facility VA San Diego Date 9-21-11

13. Approvals in accordance with FAR 6.304

- a. **Contracting Officer's Certification (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.


Adriana Garcia
Contracting Officer
VISN 22 Network Contracting Activity


9/21/11.
Date

- b. **VISN/PCA QA (Required \$3K and above):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

N/A
Name
Title
Facility

N/A
Date

- c. **NCM/PCM (Required \$3K and above):** I certify the justification meets requirements for other than full and open competition.


Name - EDWIN COTTO
Network Contract Manager SUPERVISOR
VISN/PCA X VISN 22, NCA

9/21/11.
Date